



Muskegon County Casino in Fruitport Township Proposed by Little River Band of Ottawa Indians

**Robert Memberto, Commerce Director, Little River Band of Ottawa Indians
Testimony before House Regulatory Reform Committee
July 1, 2010**

Good morning. I'm Robert Memberto, the Commerce Director for the Little River Band of Ottawa Indians. I would like to thank Chairman Rep. Bert Johnson and members of the Regulatory Reform Committee for holding another hearing to consider House Concurrent Resolution 54, which would move forward a casino project proposed by Little River Band to bring jobs to Muskegon County.

To get approval for the Little River Band to build a casino in Muskegon County is an arduous and lengthy process. Local, state and federal governments each has separate responsibilities. Our process began in March of this year, when the Little River Band Ogema Larry Romanelli and Michigan Governor Jennifer Granholm signed two amended gaming compacts, the Second Amendment and the Third Amendment.

The Second Amendment pertains to matters within the governor's exclusive authorities. This amendment insures that a Muskegon casino would contribute to state and local revenues at the highest rate of any tribal casino in the state. Casino revenues would provide funds for the State School Aid Fund. Currently, the Little River Band contributes six percent of its electronic gambling revenue to the Michigan Strategic Fund. The Little River Band has paid \$55,408,832 since 1999.

Today, there are some tribes that do not contribute revenue payments from their casinos to the state of Michigan.

The Third Amendment, which HCR-54 ratifies, is crucial to the project because it amends the compact's definition of "eligible Indian lands" to permit a second casino to be located in Muskegon County.

These amendments to our compact are just part the process to place land in trust and obtain U.S. Interior Department approval for gaming on it, governed by federal law and regulations. Final approval will require environmental impact statements, social economic studies, traffic studies, and mitigation plans for any adverse impact.

The process also requires municipal service agreements and law enforcement agreements with local governments. Fruitport Township and Muskegon County have fulfilled their responsibility when they took the time to research this matter and then reached and unanimously approved the MSA and CLEA.

So approval of this amendment, HCR 54, is a necessary part of the approval process and falls under Legislature's responsibility. The governor has done her part and now we urge the House Committee to do their part by supporting the resolution to help bring jobs to Muskegon County.

The misleading MIRS news article titled, "Feds Nix Indian Casino Expansion, For Now" that ran in the June 28th edition is an example of how other casino interests opposed to increase competition are throwing all kinds of minutia to delay, delay and delay this project.

Delaying this project will cost the Muskegon region and state of Michigan. At stake are much-needed jobs for Muskegon County and much-needed revenues for the state. This project will create more than 1,100 jobs in Muskegon County and help to boost our tourism industry.

This same delay tactic was successful in pushing tribal casinos in New Buffalo, Battle Creek and Gun Lake off track. These efforts delayed jobs in New Buffalo, Battle Creek and continue to delay the creation of jobs in the Gun Lake area. Consequently, this has resulted in delayed revenues coming into the state of Michigan.

During this same time period the Little River Band of Ottawa Indian's Tribal Council actually did a formal Council resolution to Governor Granholm requesting her to negotiate with the Gun Lake Tribe and to reach an agreement for their Tribal-State gaming compact. Little River Band did this knowing full well that Gun Lake would potentially be one of our gaming competitors but also respected that tribe's sovereign rights and internal self-determination as a legally-protected sovereign Indian tribe. Not all tribes sitting in the room can say the same thing.

The Saginaw Chippewa Indian Tribe, which has a documented history of lobbying against other Michigan tribal casino projects, has not paid state revenue sharing payments since 1999. If the tribe had continued its promise with the state to pay its eight percent payment, the state would have received approximately \$350 million. This same tribe made headlines from its ties to Jack Abramoff and Michael Scanlon, convicted felons and former federal lobbyist that employed questionable tactics to stall and obstruct other Michigan tribal casinos some of them are sitting in this room today in opposition of the Muskegon project.

The tribal and commercial gaming interests that are here today in opposition of HCR 54 are not here because they are opposed to gaming they are here because they are opposed to competition in gaming.

While misleading information continues to be provided to the media and legislators to confuse the process and delay the casino project, the Little River Band wants to provide the facts. Our tribe did not withdraw a petition for land into trust as has been reported by other media outlets. The Little River Band has yet to even file a land into trust petition. We have been working with the governor's office, decided to withdraw the compact amendment dealing with our revenue contribution provisions to allow the Department of Interior more than the statutory limit of 45 days to make its decision.

In addition, a letter from the Director of Indian Gaming at the Bureau of Indians Affairs to Rep. Bert Johnson was provided to a reporter out of context. The letter was general, vague and doesn't address our particular situation. It states standard Indian Gaming Regulatory Act (IGRA) language that is available online to anyone.

We understand other casino interests do not want competition. But don't delay jobs for the Muskegon region. Don't delay revenues to the State School Aid Fund. Please support HCR 54 for the Muskegon region to revitalize its tourism industry and to bring desperately needed jobs to the Muskegon region.



Little River Band of Ottawa Indians

375 River Street
Manistee, MI 49660
(231) 723-8288

Resolution # 04-1215-520

*Supporting the Match-e-be-nash-she-wish Band of Pottawatomi Indians Request
that the Governor of State of Michigan Negotiate a Class III Gaming Compact
and Support its Ratification by the State of Michigan*

WHEREAS, the status of the *Gaá Čhíng Ziibi Daáwaa Aníshinaábek* (Little River Band of Ottawa Indians) as a sovereign and Treaty-making power is confirmed in numerous treaties, from agreements with the initial colonial powers on this land, to various treaties with the United States; and

WHEREAS, the Little River Band of Ottawa Indians (Tribe) is descended from, and is the political successor to, the Grand River Ottawa Bands, signatories of the 1836 Treaty of Washington (7 Stat. 491) with the United States, as reaffirmed by federal law in P.L. 103-324, enacted in 1994; and

WHEREAS, the Tribe adopted a new Constitution, pursuant to a vote of the membership on May 27, 1998, which Constitution became effective upon its approval by the Assistant Secretary-Indian Affairs on July 10, 1998; and

WHEREAS, the Tribe adopted amendments to the Constitution on April 26, 2004, which became effective upon approval by the Assistant Secretary-Indian Affairs on May 13, 2004; and

WHEREAS, the Tribal Council is authorized under Article IV, Section 7(a) to provide for the public health, peace, morals, education and general welfare of the Little River Band and its members; and

WHEREAS, the Match-e-be-nash-she-wish Band of Pottawatomi Indians of Michigan (hereinafter, The Gun Lake Tribe) is a sovereign tribal government, recognized by the Federal Government through the final administrative action on August 23, 1999, thereafter exercising all federally recognized rights as such; and

WHEREAS, the Gun Lake Tribe Council is authorized by the Tribal Constitution to act and exercise Tribal Authority on behalf of the Gun Lake Tribe; and

WHEREAS, the Tribal Council has requested, on numerous occasions, that the Governor of the State of Michigan enter into good faith negotiations with the Tribe over a Class III Gaming Compact, similar to those entered into with other federally recognized Tribal governments in the State of Michigan; and

WHEREAS, the Michigan Legislature passed a concurrent resolution approving the Gun Lake Compact and urging the Governor to sign such a Compact; and

WHEREAS, the concurrent resolution approving the Gun Lake Compact was supported by a majority of the members of both chambers; and

WHEREAS, then Governor, John Engler, failed to negotiate and execute a Compact with the Gun Lake Tribe prior to the end of his term; and

WHEREAS, the current Governor, Jennifer Granholm, has refused to sign the legislatively approved compact with the Gun Lake Tribe that is nearly identical in substance to the other Michigan Tribal Gaming Compacts and has refused to even participate in good faith negotiations with the Tribe, leaving the Tribe in a position of unequal protection under federal law to exercise its sovereign rights; and

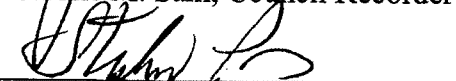
WHEREAS, the Governor of the State of Michigan has refused to enter into such negotiations with the Gun Lake Tribe on every occasion for which the Tribe has requested such official action, leaving the Tribe in a position of unequal protection under federal law to exercise its sovereignty.

NOW THEREFORE BE IT RESOLVED, the Tribal Council of the Little River Band of Ottawa Indians, in concert with other Tribal governments located within the State of Michigan, does hereby request that the Governor of the State of Michigan begin good faith negotiations with Gun Lake Tribe to reach agreement on terms of a Class III Tribal-State Gaming Compact to permit the Gun Lake Tribe to exercise its legally-protected rights as a sovereign Indian tribe.

CERTIFICATE OF ADOPTION

I do hereby certify that the foregoing resolution was duly presented and adopted by the Tribal Council with 9 FOR, 0 AGAINST, 0 ABSTAINING, and 0 ABSENT, at a Regular Session of the Little River Band of Ottawa Indians Tribal Council held on December 15, 2004, at the Little River Band's Dome Room in Manistee, Michigan, with a quorum being present for such vote.


Janine M. Sam, Council Recorder


Stephen Parsons, Council Speaker

Attest:

Distribution: Council Records
Tribal Ogema
Tribal Court